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THE Feed SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE
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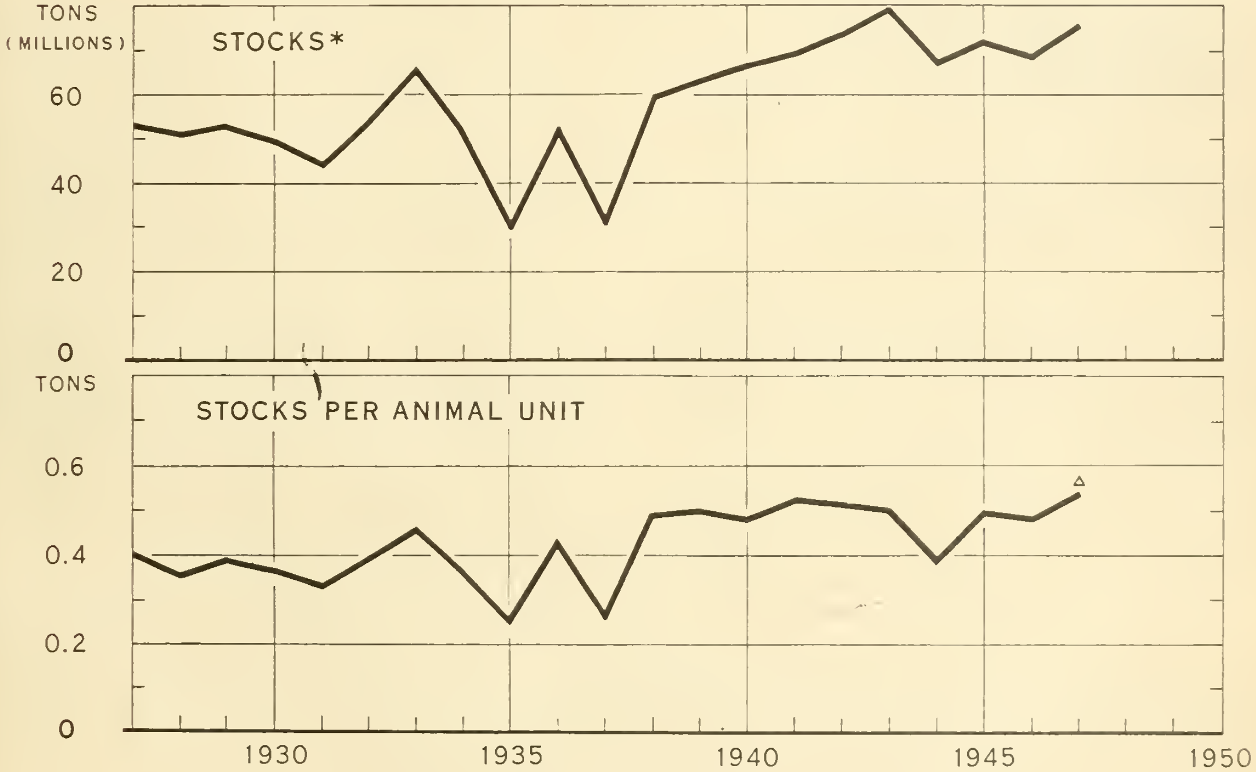
JANUARY 1947

CORN AND OATS: JANUARY 1 STOCKS, AND STOCKS PER GRAIN CONSUMING ANIMAL UNIT, 1927-47



* FARM, TERMINAL MARKET, AND GOVERNMENT-OWNED STOCKS
△ PARTLY ESTIMATED

U. S. DEPARTMENT OF AGRICULTURE NEG. 46272 BUREAU OF AGRICULTURAL ECONOMICS

January 1 stocks of corn and oats per grain-consuming animal unit were the largest on record for that date. Farm and terminal market stocks of corn on January 1 were 324 million bushels above January 1 stocks a year earlier, but oat stocks were 115 million bushels below the record January 1 stocks last year. Corn carry-over next October 1 will be much larger than in 1946, but carry-over of oats in 1947 may be about the same.

Table 1.- Statistical Summary

Item	Unit	1944-45		1945-46		1946-47	
		Dec.	Jan.	Dec.	Jan.	Dec.	Jan. 1/
		Cents	Cents	Cents	Cents	Cents	Cents
Grains and Hay							
Corn, No. 3 Yellow, Chicago	Bushel	114.1	114.8	118.0	116.5	134.0	132.4
Price received by farmers, U. S.	"	106.0	107.0	109.0	110.0	122.0	---
Oats, No. 3 White, Chicago	"	74.4	79.0	79.7	80.0	82.5	87.3
No. 3 White, Minneapolis	"	69.0	74.8	75.0	76.4	80.8	82.3
Price received by farmers, U. S.	"	69.4	72.1	70.3	71.7	80.8	---
Barley, No. 3, Minneapolis	"	120.0	124.3	129.9	130.1	168.9	169.2
Price received by farmers, U. S.	"	98.2	102.0	108.0	109.0	136.0	---
Grain sorghums, price received by farmers, U. S.	100 pounds	144.0	157.0	211.0	217.0	197.0	---
Wheat, No. 2 Hard Winter, Kansas City	Bushel	162.0	163.6	169.2	169.2	207.2	209.9
Rye, No. 2, Minneapolis	"	114.3	122.8	175.2	198.4	279.3	282.4
		Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Hay, No. 1 Alfalfa, Kansas City	Ton	30.90	30.50	29.00	29.00	35.00	33.00
Price received by farmers, U. S.	"	16.50	17.10	15.40	15.70	17.70	---
Byproduct Feeds (bagged)							
Standard bran, Minneapolis	Ton	37.75	37.75	37.75	37.75	38.50	36.75
Chicago	"	39.80	39.80	39.80	39.80	40.85	38.00
Buffalo	"	41.55	41.55	41.55	41.55	43.20	40.00
Standard middlings, Minneapolis	"	37.75	37.75	37.75	37.75	39.00	37.00
Chicago	"	39.80	39.80	39.80	39.80	41.45	40.00
Buffalo	"	41.55	41.55	41.55	41.55	44.30	41.00
Cottonseed meal, 41 pct. protein, Memphis	"	48.50	48.50	48.75	48.75	80.30	75.00
Linseed meal, 32 pct. protein, Minneapolis	"	45.50	45.50	45.50	45.50	84.75	86.75
30 pct. protein, San Francisco	"	47.00	47.00	47.25	47.25	82.60	78.50
Soybean meal, 41 pct. protein, Chicago	"	52.00	52.00	52.00	52.00	80.70	73.85
Peanut meal, 45 pct. protein, S.E. milling points	"	53.00	53.00	53.25	53.25	75.30	68.00
White hominy feed, Chicago	"	46.75	45.90	49.00	49.00	50.90	49.75
Gluten feed, 23 pct. protein, Chicago	"	41.30	41.30	41.25	41.25	56.70	57.00
Tankage, digester, 60 pct. protein, Chicago	"	2/74.55	2/74.55	2/74.55	2/74.55	112.10	106.10
Meat scraps, Chicago	"	2/69.10	2/73.25	2/73.50	2/73.50	98.45	88.60
Fish meal, San Francisco	"	79.50	79.50	79.50	79.50	173.55	167.50
Alfalfa meal, No. 1 fine, Kansas City	"	44.90	42.90	44.70	44.70	46.10	46.50
Mixed dairy feed, 16 pct. protein, price paid by farmers, U. S.	100 pounds	2.86	2.85	2.97	2.99	3.71	---
Laying mash, price paid by farmers, U. S.	"	3.54	3.54	3.68	3.69	4.48	---

INDEX NUMBERS OF PRICES

Item	Unit	Dec.	Jan.	Dec.	Jan.	Dec.	Jan. 1/
		Percent	Percent	Percent	Percent	Percent	Percent
Feed grains, U. S.	1910-14=100	167	170	171	173	194	---
Ten principal high-protein feeds, terminal markets	1935-39=100	166	166	166	166	267	251
Four oilseed meals	"	166	166	166	166	268	249
Tankage, meat scraps, and fish meal	"	164	166	166	166	286	271
Gluten feed, brewers' dried grains, and distillers' dried grains	"	168	168	166	166	233	229

LIVESTOCK-FEED PRICE RATIOS 3/

Item	Unit	Dec.	Jan.	Dec.	Jan.	Dec.	Jan. 1/
Hog-corn, Chicago .... (Jan. av. 1926-45= 12.0)	Bushel	12.4	12.8	12.4	12.6	17.1	17.1
Hog-corn, U. S. farm prices(" " " " = 12.5)	"	12.6	12.9	13.0	12.8	18.6	---
Beef steer-corn, Chicago ..(" " " " = 14.7)	"	13.0	12.8	14.1	14.2	17.3	16.9
Butterfat-feed, U.S. 4/....(" " " " = 25.4)	Pound	26.3	26.2	29.0	29.1	30.5	---
Milk-feed, U. S. 4/........(" " " " = 1.34)	"	1.54	1.52	1.50	1.49	1.57	---
Egg-feed, U. S. ....(" " 1936-45= 12.9)	"	15.7	14.3	16.2	13.8	13.3	---

Prices compiled from Chicago Journal of Commerce, Minneapolis Daily Market Record, Kansas City Grain Market Review, and reports of the Grain Branch, Production and Marketing Administration, and the Bureau of Agricultural Economics.

1/ Market prices of grains and hay are for the week ended January 18; byproduct feed prices are as of January 14.

2/ Processors' price at Chicago plus allowance for bags. 3/ Units of corn or other concentrate ration equal in value to 100 pounds of hog or beef-steer, pounds of butterfat or milk, or dozen eggs. 4/ Includes dairy production payments through June 30, 1946.

THE FEED SITUATION

Approved by the Outlook and Situation Board January 24, 1947

SUMMARY

Procurement of feed for livestock, particularly in deficit areas, will be materially easier during the rest of the current feeding season than during the past three or four years. January 1 stocks of feed grains on farms and at terminal markets were about 9 percent larger than a year earlier and the largest on record per grain-consuming animal unit on farms. Stocks of hay on farms January 1 were 10 percent above the 1938-42 average, but 6 percent smaller than the record stocks on January 1, 1946.

Total requirements for feed grains during January-September 1947 may be about as large as in that period of 1946. The quantity consumed by livestock is expected to be smaller than a year earlier, but larger quantities will be used for domestic non-feed purposes and for export. The carry-over of corn next October 1 may approximate 400 to 450 million bushels, compared with the low level of 158 million in 1946. Carry-over of oats next July 1 may be somewhere near the 1946 carry-over. The barley carry-over next July 1 is expected to be even smaller than the 43 million bushels in 1946.

The combined disappearance of corn, oats, and barley, plus estimated quantities of wheat and rye fed during October-December 1946 was 7 percent smaller than in the last quarter of 1945. The smaller disappearance mainly reflects fewer livestock on farms, and the much better quality of the 1946 corn crop compared with the 1945 crop.

Although per animal unit supplies of feed concentrates (feed grains, wheat and rye for feed, and byproduct feeds), are at a record level, feed grain prices are expected to continue near present levels through early spring. Feed prices will be more stable during the next few months than they were in the latter half of 1946. The strong domestic and export demand in prospect will support prices of corn and other feed grains this spring and summer. Prices of high-protein feeds are not expected to change greatly in the next few months, and will average substantially higher than a year earlier. Average prices of feed grains at the beginning of 1947 were about 10 percent higher than a year earlier, while prices of most high-protein feeds were up more than 50 percent. In early January corn prices were a little below the June 30 ceiling, while oilseed meal prices averaged about 20 percent above.

(For release Jan. 31, A.M.)

OUTLOOK

Ample Feed Supplies for Remainder of 1946-47

Large stocks of feed grains and hay on January 1 virtually assure ample feed for livestock during the remainder of the 1946-47 feeding season. Farm and terminal market stocks of corn, oats, and barley on January 1 totaled 79.1 million tons, 9 percent larger than a year earlier, and the largest on record per grain-consuming animal unit. Although hay stocks were smaller than the record stocks on January 1, 1946, they were 10 percent above the 1938-42 average. Production of by-product feeds during the first half of 1947 is expected to total a little larger than in the first half of 1946, and considerably above the prewar average.

On the basis of January 1 stocks and expected disappearance during the remainder of the marketing year, the corn carry-over on farms and at terminal markets on October 1, 1947, is expected to be around 400 to 450 million bushels, compared with the low level of 158 million bushels last October 1. Oats carry-over next July 1 may be somewhere near the 1946 carry-over of 278 million bushels. Barley carry-over July 1 may be even smaller than the 43 million bushels carried over in 1946.

Prospective Disappearance of Feed Grains and Hay

The total quantity of grain fed to livestock is expected to be smaller during the remainder of the current season than a year earlier. On the other hand, exports and domestic non-feed utilization of feed grains, especially of corn, will be somewhat larger. Total domestic disappearance of corn, oats, and barley during October-December 1946 was 6 percent smaller than in that period of 1945. Also, less wheat and rye were fed than a year earlier.

Table 2.-Feed grains: Supply and disappearance, United States, 1945-47

Item	Corn (Oct.-Sept.)		Oats (July-June)		Barley (July-June)	
	1945-46	1946-47	1945-46	1946-47	1945-46	1946-47
	Mil. bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.
Supply						
Carry-in 1/	308	158	219	278	69	43
Imports	1	---	24	1	6	7
Production	2,881	3,288	1,536	1,510	267	263
Total	3,190	3,446	1,779	1,789	342	313
Disappearance		2/		2/		2/
Livestock feed 3/	2,780	2,650	1,321	1,332	183	152
Seed	13	13	112	112	19	19
Other domestic uses 4/	225	283	50	50	88	96
Exports	5/ 14	100	18	20	9	6
Total	3,032	3,046	1,501	1,514	299	273
Carry-out 1/	158	400	278	275	43	40

1/ Corn October 1; oats and barley July 1. 2/ Indications in early January.
3/ Includes waste and minor industrial uses. 4/ Food and industrial uses.
5/ Does not include 6 million bushels for military and relief feeding abroad.

Domestic disappearance of corn during October-December 1946 totaled 1,250 million bushels, 68 million bushels less than in that quarter of 1945. Disappearance of corn during January-September this year may be about as large as the 1,698 million bushels in that period of 1946. Feeding of corn probably will be somewhat smaller from January through June than a year earlier because of fewer livestock on farms and the higher quality of the 1946 crop. But feeding in July-September probably will be as large as or larger than in that quarter of 1946. Commercial non-feed utilization and exports of corn in January-September are expected to be considerably larger than in 1945-46.

Table 3.-Domestic disappearance of feed grains and estimated quantities of wheat and rye fed, United States, 1939-46

Year beginning October	Oct.-Dec.	Jan.-Mar.	Apr.-June	July-Sept.	Total Oct.-Sept.
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
			Corn		
Average 1939-43	1,212	750	521	350	2,833
1944	1,286	785	588	440	3,099
1945	1,318	813	534	351	3,016
1946	1/1,250				
			Oats		
Average 1939-43	223	324	255	411	1,213
1944	217	335	235	433	1,220
1945	314	420	313	608	1,655
1946	1/263				
			Barley		
Average 1939-43	82	76	57	142	357
1944	57	60	46	149	312
1945	41	64	36	132	273
1946	1/ 46				
			Wheat		
Average 1939-43	41	72	52	80	245
1944	50	85	46	88	269
1945	63	110	38	60	271
1946	1/ 45				
			Rye		
Average 1939-43	4	4	3	14	25
1944	3	4	2	5	14
1945	1	2	2	4	9
1946	1/ 1				
			Total (million tons)		
Average 1939-43	40.8	30.3	21.7	22.6	115.4
1944	42.4	31.4	22.8	25.6	122.2
1945	44.8	34.4	22.0	24.7	125.9
1946	1/ 41.7				

1/ Preliminary.

Oats disappearance in October-December was 16 percent smaller than in that quarter of 1945, but 18 percent above the 1939-43 average for the quarter. The rate of oat feeding in October-December was sharply lower than the record disappearance in the preceding quarter, July-September 1946. The sharp reduction in oat feeding reflects the availability of corn from the record large 1946 crop and relatively cheaper corn than oats in late 1946. Disappearance of oats in the first half of 1947 probably will be a little smaller than in the corresponding period last year.

Barley disappearance in October-December was 12 percent larger than a year earlier. Farm and terminal market stocks on January 1 were estimated to be 131 million bushels, 16 million bushels smaller than a year earlier, and the smallest for that date since 1938. With small stocks of barley available on January 1, disappearance for feed during January-June will be small.

Disappearance of hay from May through December 1946 was slightly greater than a year earlier, in spite of the favorable weather for livestock grazing this past fall. For the country as a whole, stocks of hay on farms are ample for the hay-consuming livestock. Distribution of the supply, however, is such that some localities may find supplies short in the event of a late, cold spring.

Table 4.-Hay: Disappearance from farms, May-December, 1939-46

Geographic division	Average 1939-43	1943	1944	1945	1946 1/
North Atlantic	5,173	6,057	5,773	8,501	9,306
East North Central.	8,715	9,029	8,161	6,402	6,489
West North Central.	10,136	11,565	10,182	12,041	11,648
South Atlantic	2,546	2,724	2,494	2,637	2,966
South Central	5,530	5,630	4,839	5,986	6,209
Western	9,360	9,506	9,924	10,906	11,042
Total United States	41,460	44,511	41,373	46,473	47,660

1/ Preliminary.

Byproduct Feed Production Larger Than Last Year

Total production of byproduct feeds during the first half of 1947 probably will be around 5 percent larger than the 8.6 million tons produced in the first half of 1946. However, oilseed cake and meal production may be down by about 8 percent and most of this overall increase will be accounted for by an increase in wheat millfeed production, which may be about a half million tons larger than in the first half of 1946. Gluten feed, brewers' dried grain, and distillers' dried grain output also is expected to be larger this year than last. Supplies of most other byproduct feeds are expected to be near 1946 levels.

Strong Demand for Feed Grains This Spring and Summer

Total utilization of feed grains during the first half of 1947 probably will be as large as in that period of 1946. Use for livestock feed is expected to be a little below that of last year, but domestic non-feed use and exports will be somewhat greater, especially for corn. Because of the larger stocks of feed grains than a year earlier and the elimination of controls, the tight supply situation that developed in each of the past four springs, particularly in 1946, very likely will be avoided this year.

The total utilization of feed by livestock probably will be a little less in the first half of 1947 than a year earlier, principally because fewer hogs and poultry are on farms. The fall pig crop of 1946, which is largely fed out during this period, was 12 percent smaller than the 1945 fall crop. But the high hog-corn price ratio will encourage heavy feeding per hog. Beef cattle may consume a little more feed concentrates. The number of cattle on feed January 1 was 2 percent larger than a year earlier, and feed-price relationships are favorable for cattle feeders. Feed consumption by dairy cows from January through June may be about as large as in 1946, with heavier feeding per cow about offsetting smaller numbers. Below average poultry-feed price ratios and fewer poultry on farms will result in less feed consumed by poultry in the first half of 1947 than a year earlier.

Record large farm sales of corn are expected in 1946-47, possibly exceeding the record sales of 730 million bushels in 1944-45 by around 100 million bushels. Utilization of corn for food, industry, and export during 1946-47 is expected to exceed utilization for those purposes in 1945-46 by 125 million bushels, and the 1944-45 use by nearly 100 million. Much of this increase will occur during January-September. The strong demand for non-feed purposes plus the demand from feed manufacturers will be a price-strengthening factor this spring and summer.

Table 5.-Feed grains: Receipts at primary markets, November-December, 1944-45, and October - December 1946

Item	1944		1945		1946		
	Nov.	Dec.	Nov.	Dec.	Oct.	Nov.	Dec.
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Corn, 12 markets 1/	38,060	30,811	28,917	31,979	18,233	40,040	44,272
Oats, 12 markets 1/	7,688	9,089	18,140	16,010	18,569	11,330	11,194
Barley, 4 markets 2/	14,323	10,096	9,833	7,537	14,840	8,026	9,214

Compiled from reports of the Grain Branch, Production and Marketing Administration.
1/ Chicago, Milwaukee, Minneapolis, Duluth, St. Louis, Kansas City, Peoria, Omaha, Indianapolis, Sioux city, St. Joseph, and Wichita.
2/ Minneapolis, Milwaukee, Chicago, and Duluth.

The stong domestic and export demand for corn will readily absorb commercial corn supplies this spring and summer. It is estimated that a total of nearly 300 million bushels of corn will be used for food and industrial purposes in 1946-47. Corn exports may total about 100 million bushels, which would be larger than in any season since 1937-38. Requirements for these purposes will absorb a large part of the off-farm sales of corn during the next several months.

Feed Prices Supported by Strong Commercial and Export Demand

Feed prices are likely to be more stable in the first half of 1947 than they were in the last halfof 1946. Prices of feed grains and most byproduct feeds fluctuated shrply following decontrol last summer and fall. From mid-December to mid-January there was little change in prices of feeds, and prices now appear to be about adjusted to feeding conditions this winter. Prices of feed grains will be supported by a strong commercial and export demand, at least through the first half of 1947, and some seasonal increases may occur. Substantial changes in feed-grain prices do not appear likely, at least until prices are influenced by prospects for 1947 production in the late spring and summer months.

The continued strong demand for malt by brewers has resulted in some increase in the price of malting barley since early December. Feeding barley has remained low relative to malting barley, chiefly because of relatively low corn prices. Small domestic supplies and the unavailability of barley from Canada, combined with the strong demand for malt, will tend to hold prices of malting barley high relative to feeding barley, at least until the 1947 barley crop is harvested.

Prices of byproduct feeds in general are expected to continue near present levels during the remainder of the winter feeding season. Prices of high-protein feeds did not change materially from late December to mid-January, except for some weakening in soybean meal and fish meal. Prices of most byproduct feeds in mid-January were $15.00 to $25.00 per ton below the peaks reached last November, following the decontrol of prices of these feeds.

Current Feed Price Relationships; Outlook for 1947-48

Sharp fluctuations in prices of feeds in the last half of 1946 followed the lapse of price controls on June 30, the recontrol of byproduct feed prices in July and August, and the decontrol of all feed prices in October. Feed prices reached relatively stable levels by December, and changes during the first half of 1947 probably will be much more moderate.

Important differences in feed prices this winter as compared with a year ago are: (1) A much higher level of prices for high-protein feeds, (2) moderately higher prices of corn, most other feed grains, and hay, and (3) slightly higher prices of lower-protein byproduct feeds.

These changes are shown in table 6, in which prices of a number of feeds in December 1946 are compared with other recent years. Comparisons of Chicago wholesale prices are made wherever possible. Price relationships in other areas of the country would be different. However, the relationship between current prices and those for December 1945 and earlier years probably would be about the same for all areas.

Changes in prices of feed-grain ahd high-protein feeds in the last few years are typified by changes in prices of No. 3 Yellow corn and soybean meal at Chicago. Under price control, prices of corn were higher relative to oilmeal prices than in the period 1937-41. Both corn and soybean meal prices have recently declined, after reaching very high levels following the decontrol of prices during the second half of 1946. However, soybean meal prices have declined much less than the price of corn. In December 1946 the price of soybean meal was much higher relative to corn prices than in December 1945, and somewhat higher compared with the 1937-41 average. Other oilmeals and fish meal also were high relative to corn and other feed-grain prices in December. December prices of tankage and meat scraps, on the other hand, were a little lower than feed-grain prices as compared with average, while prices of lower-protein byproduct feeds were considerably lower. Prices of bran and middlings at Chicago averaged lower per pound in December than corn, and in late December were slightly lower than a year earlier, when prices were controlled.

Prices of high-protein feeds tended to level off in late December and January. In December oilmeal prices were about 60 percent higher than in December 1945, while feed-grain prices were only about 10 percent higher. Prices of animal proteins and most other high-protein feeds also have increased more than feed-grain prices since December 1945.

Table 6.- Prices of specified feeds per 100 pounds, December 1937-46

Feed	December						Percentage 1946 is of 1937-41	Percentage 1946 is of 1945
	Average 1937-41	1942	1943	1944	1945	1946		
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Percent	Percent
Grains and Hay								
Corn, No. 3 Yellow, Chicago	1.07	1.60	2.02	2.04	2.11	2.39	223	113
Oats, No. 3 White, Chicago	1.21	1.68	2.52	2.32	2.49	2.58	213	104
Barley, No. 3, Minneapolis	1.21	1.54	2.56	2.50	2 71	3.52	291	130
Milo maize, No. 2 Yellow, Kansas City	.98	1.38	2.36	1.81	2.55	2.21	226	87
Wheat, No. 2 Hard Winter, Kansas City	1.55	2.18	2.71	2.70	2.82	3.45	223	122
Hay, alfalfa No. 1, Kansas City	.83	.98	1.68	1.54	1.45	1.75	211	121
Oil meals								
Cottonseed meal, 41 pct., Memphis	1.41	1.93	2.42	2.42	2.44	4.02	285	165
Linseed meal, Minneapolis 1/	1.82	2.14	2.28	2.28	2.28	4.24	233	186
Soybean meal, 41 pct., Chicago	1.62	1.95	2.60	2.60	2.60	4.04	249	155
Peanut meal, 45 pct., S.E. Selling points	1.44	1.90	2.65	2.65	2.66	3.76	261	141
Animal and Marine proteins								
Tankage digester, 60 pct., Chicago	2.79	3.73	3.73	3.73	3.73	5.60	201	150
Meat scraps, Chicago	2.62	3.58	3.68	3.46	3.68	4.92	183	134
Fish meal, 67 pct., San Francisco	2.41	3.98	3.98	3.98	3.98	8.63	360	218
Other byproduct feeds								
Bran, standard, sp. wheat, Chicago	1.18	1.87	1.99	1.99	1.99	2.04	173	103
Middlings, standard, sp. wheat, Chicago	1.20	1.89	1.99	1.99	1.99	2.07	172	104
Hominy feed, white, Chicago	1.24	1.78	2.50	2.34	2.45	2.54	205	104
Gluten feed, 23 pct., Chicago	1.25	1.62	2.08	2.06	2.06	2.84	227	138
Distillers' dried grains, Chicago	2/1.57	2.16	2.20	2.20	2.15	3.00	191	140
Brewers' dried grains, Chicago	1.26	1.74	1.70	1.90	1.88	2.98	237	159
Alfalfa meal, No. 1 fine, Kansas City	1.15	1.64	1.99	2.24	2.24	2.30	200	103
Beet pulp (molasses), San Francisco	1.23	1.80	1.97	2.08	2.13	2.86	233	134
Mixed feeds: Prices paid by farmers, U. S. average								
Mixed dairy feed, 16 pct.	2/1.75	2.30	2.91	2.85	2.97	3.71	212	125
Mixed dairy feed, 20 pct.	2/1.90	2.47	3.16	3.03	3.23	3.96	208	123
Laying mash	2.28	2.95	3.54	3.54	3.58	4.48	196	122
Scratch feed	1.82	2.34	3.08	3.04	3.41	3.95	217	116

1/ 37 percent protein, 1937-40; 34 percent, 1941-43; 32 percent, 1944-46. 2/ 1938-41 average.

The high prices of oilcake and meal and most other high-protein feeds this winter chiefly reflect the strong demand for those feeds to balance livestock rations. Although production of high-protein feeds has increased proportionately more than that of feed grains over the past several years, supplies of protein feeds are stil insufficient to balance all livestock rations adequately. Moreover, the high level of returns for livestock and livestock products in recent years has made it possib for livestock producers to make larger cash expenditures for feeds than in the prewar period. This increased use of protein feeds, particularly as ingredients of commercial mixed feeds, probably will be a factor tending to hold prices of protei feeds high in relation to feed-grains, at least through the first half of 1947.

Among the more important factors in the outlook for feed prices in 1947-48 are (1) The level of national income, (2) the size of the 1947 feed crops, (3) the 1947-48 production and prices of livestock and livestock products, and (4) Government loan rates on corn and other feed grains.

Production of oilseeds is expected to be somewhat larger than in 1946. Acreage goals for oilseed crops for 1947 are considerably higher than 1946 acreages, and present prices of soybeans and flaxseed are high relative to competing crops. Hence, larger supplies of oilcakes and meals are in prospect for 1947-48. These factors may tend to depress prices of high-protein feeds in 1947-48 relative to corn and other feed grains, especially if returns from livestock production decline next year. Although feed-grain supplies for 1947-48 are likely to be large, they probably will be smaller than the near-record supply in 1946-47. Nevertheless, over the past several years changes in byproduct feed prices have been fairly closely associated with changes in corn prices. Prices of corn and other feed concentrates probably will be influenced more by the Government loan program for the 1947 feed-grain crops than in any of the past few years.

The loan rate on 1947 corn will depend on October 1 parity as determined by the level of prices paid by farmers, including interest and taxes. In December 1946, the parity price of corn was $1.37 per bushel, or 9 cents higher than the parity price in mid-September, on which the 1946 loan was based. Changes in prices paid by farmers probably will not be so great between now and next fall as changes in prices received by farmers for their products.

Government loans on corn will assure the maintenance of corn prices at fairly high levels for the next 2 years. They also will indirectly support prices of othe feed-grains, high-protein feeds, and other byproduct feeds. Under existing legislation, price supports on corn are mandatory at 90 percent of parity for the 1947 and 1948 crops, if funds are available.

Maintenance of current high levels of protein feed prices depends to a considerable extent on the continuation of high prices for dairy and poultry productio and to some extent on the level of high-protein feed exports. Over the past 10 years, livestock producers, especially dairy and poultry producers, have increased their use of protein feeds in feeding rations largely as a result of sharply expanded use of commercial mixed feeds of higher protein content. Nevertheless, should there be a substantial reduction in returns from livestock and livestock products, farmers would probably reduce feed costs by shifting to lower priced feed and depending more upon home-grown feeds and less on commercial mixed feeds. This would be reflected in a material decline in high-protein feed prices.

Table 7.- January 1 stocks of corn and oats, grain-consuming animal units, and stocks per animal unit, 1927-47

(Data for cover page)

Year	January 1 stocks: Corn 1/	January 1 stocks: Oats 2/	January 1 stocks: Total	Grain-consuming animal units: January 1	Stocks per animal unit
	1,000 bushels	1,000 bushels	1,000 tons	Millions	Tons
1927	1,497,351	733,559	53,663	135.5	.40
1928	1,452,956	650,202	51,086	140.5	.36
1929	1,442,543	777,600	52,333	137.0	.38
1930	1,398,094	671,441	49,890	135.8	.37
1931	1,153,865	773,308	44,681	134.9	.33
1932	1,570,817	672,807	54,748	139.5	.39
1933	1,882,227	793,759	65,402	144.5	.45
1934	1,551,185	505,627	51,523	143.2	.36
1935	872,141	368,561	30,317	120.5	.25
1936	1,408,148	821,014	52,564	123.0	.43
1937	825,740	522,418	31,480	122.4	.26
1938	1,707,354	734,373	59,556	121.0	.49
1939	1,867,580	723,649	63,870	127.0	.50
1940	2,040,505	614,752	66,970	138.5	.48
1941	2,033,361	801,488	69,758	133.4	.52
1942	2,196,350	760,901	73,672	143.1	.51
1943	2,315,999	801,076	79,105	159.6	.50
1944	1,980,742	720,704	66,992	171.1	.39
1945	2,135,122	757,615	71,905	146.2	.49
1946	1,870,104	1,023,326	68,736	146.5	.47
1947	2,193,646	907,986	75,950	3/140.0	.54

1/ Farm, terminal market, and Government-owned stocks. 2/ Farm and terminal market stocks. 3/ Estimated.

Table 8.- Corn, oats, and barley: Stocks, by quarters, United States, 1945-47

Year	January 1	April 1	July 1	October 1
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
		Corn 1/		
1945	2,135,122	1,346,121	749,878	307,831
1946	1,870,104	1,056,468	512,832	157,947
1947	2,193,646			
		Oats 2/		
1945	757,615	435,035	219,004	1,320,965
1946	1,023,326	595,262	278,015	1,176,310
1947	907,986			
		Barley 2/		
1945	166,086	106,728	69,479	189,541
1946	147,287	81,609	43,164	173,373
1947	130,985			

1/ Farm, terminal market, and Government-owned stocks. 2/ Farm and terminal market stocks.

Table 9.- Corn and oats: Stocks January 1, United States, by States and geographic divisions, 1941-47, and barley stocks, December 1, 1940-46

State and region	Corn 1/			Oats 2/			Total			Barley 2/		
	Average 1941-45	1946	1947	Average 1941-45	1946	1947	Average 1941-45	1946	1947	Average 1940-44	1945	1946
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 tons	1,000 tons	1,000 tons	1,000 bushels	1,000 bushels	1,000 bushels
Maine	101	45	64	2,800	1,760	2,073	48	30	35	86	61	97
N. H.	92	61	90	181	209	184	6	5	5	---	---	---
Vt.	128	65	72	1,058	845	1,010	21	15	18	109	48	41
Mass.	243	183	212	127	131	171	9	7	9	---	---	---
R. I.	30	26	28	22	22	22	1	1	1	---	---	---
Conn.	284	325	305	92	131	179	9	11	11	---	---	---
N. Y.	7,852	3,757	7,154	20,084	25,180	23,522	541	508	577	3,495	3,009	4,213
N. J.	4,119	4,616	5,006	817	797	850	128	142	154	84	144	159
Pa.	31,351	36,935	36,885	16,410	17,217	19,753	1,140	1,310	1,349	1,697	1,964	2,291
N. ATL.	44,200	46,013	49,816	41,591	46,292	47,764	1,903	2,029	2,159	5,471	5,226	6,801
Ohio	105,108	118,439	120,713	27,732	34,422	38,173	3,387	3,867	3,991	531	420	218
Ind.	130,618	166,560	166,993	26,551	34,280	33,312	4,082	5,212	5,209	516	465	253
Ill.	332,732	272,806	362,155	83,472	102,545	92,570	10,652	9,279	11,622	2,336	1,503	1,016
Mich.	33,840	38,707	29,036	35,286	41,538	48,885	1,512	1,749	1,595	3,773	2,817	3,324
Wis.	40,546	39,062	39,972	68,240	108,431	83,758	2,227	2,829	2,459	13,905	6,607	6,918
E. N. CENT.	642,844	635,574	718,869	241,281	321,216	296,698	21,860	22,936	24,876	21,061	11,812	11,729
Minn.	143,171	113,279	138,970	106,360	172,450	125,259	5,710	5,931	5,895	36,273	18,983	26,655
Iowa	501,190	323,308	481,499	120,269	137,922	136,825	15,958	11,259	15,671	3,306	46	562
Mo.	107,127	79,340	129,998	32,437	24,080	36,048	3,519	2,607	4,217	1,651	902	1,041
N. Dak.	6,786	4,545	4,430	48,195	62,942	45,190	961	1,134	847	37,848	33,095	27,028
S. Dak.	56,754	64,478	79,861	51,354	96,063	68,271	2,411	3,342	3,329	27,918	20,369	19,388
Nebr.	178,518	169,703	177,019	34,631	53,550	46,744	5,553	5,609	5,704	20,851	9,007	7,172
Kans.	47,089	39,522	33,135	23,138	9,688	22,325	1,689	1,262	1,285	10,053	4,791	2,835
W. N. CENT.	1,040,635	794,175	1,044,912	416,434	556,695	480,662	35,801	31,144	36,948	137,900	87,193	84,681
Del.	2,734	3,182	3,459	45	78	42	77	91	98	100	154	116
Md.	11,568	11,627	11,965	603	1,296	1,046	334	346	352	849	909	895
Va.	22,590	28,205	25,304	1,566	2,259	2,144	658	826	743	870	1,010	1,250
W. Va.	7,512	7,347	6,508	1,138	1,278	1,290	228	226	203	158	136	128
N. C.	35,580	39,756	40,794	2,283	4,125	4,504	1,033	1,179	1,214	232	308	297
S. C.	17,188	17,946	20,433	2,820	5,676	4,823	526	593	649	33	97	147
Ga.	30,665	36,237	31,850	2,164	4,253	2,789	893	1,083	936	34	49	30
Fla.	4,121	3,853	3,248	20	135	108	116	110	93	---	---	---
S. ATL.	131,958	148,153	143,561	10,639	19,100	16,746	3,865	4,454	4,288	2,276	2,663	2,863
Ky.	50,113	47,669	58,219	817	1,151	1,715	1,416	1,353	1,658	783	681	412
Tenn.	45,728	40,842	45,704	1,496	3,655	2,234	1,304	1,202	1,315	511	413	430
Ala.	33,808	35,046	29,053	1,013	1,893	997	963	1,012	829	17	16	13
Miss.	32,096	36,683	23,664	3,172	5,208	3,348	950	1,110	716	35	43	14
Ark.	22,385	19,344	20,492	2,670	2,791	2,295	670	586	611	60	61	25
La.	14,753	13,714	11,309	1,142	1,386	598	431	406	326	30	---	1
Okla.	16,479	12,426	12,177	14,846	11,630	13,158	699	534	552	3,258	1,803	917
Tex.	41,991	27,872	24,257	14,404	19,753	11,447	1,406	1,097	862	2,987	1,780	947
S. CENT.	257,353	233,596	224,875	39,560	47,467	35,792	7,839	7,300	6,869	7,681	4,797	2,759
Mont.	778	161	126	13,976	8,149	8,302	245	135	136	8,592	11,088	11,700
Idaho	1,003	516	393	3,855	4,853	4,330	90	92	80	7,284	6,247	4,486
Wyo.	489	246	269	2,853	3,985	3,431	59	71	62	2,296	3,534	2,753
Colo.	8,341	9,347	6,540	3,893	5,434	3,898	296	349	246	10,946	15,859	8,912
N. Mex.	2,021	936	1,605	454	378	315	64	32	50	354	337	204
Ariz.	241	226	215	85	112	111	8	8	8	422	398	446
Utah	129	55	52	1,212	1,360	1,128	23	23	20	4,359	4,388	3,256
Nev.	27	16	18	181	211	185	4	4	3	544	448	340
Wash.	418	156	757	4,675	3,858	3,623	87	66	79	3,806	2,581	1,589
Oreg.	819	293	966	4,939	3,551	4,324	102	65	96	4,799	4,868	4,280
Calif.	1,059	641	672	729	665	677	41	28	30	4,798	6,035	7,196
WEST.	15,325	12,593	11,613	36,852	32,556	30,324	1,019	873	810	48,200	55,783	45,162
U. S.	2,132,315	1,870,104	2,193,646	786,357	1,023,326	907,986	72,287	68,736	75,950	222,589	167,474	153,995

Farm stocks on January 1, 1946 and 1947, and December 1, 1945 and 1946, are shown in the January 1, 1947 crop report.

1/ Farm, terminal market, and Government-owned stocks.

2/ Farm and terminal market stocks.

Table 10.- Hay: January 1 farm stocks, by regions, 1940-47

Geographic division	Average 1940-44	1944	1945	1946	1947 1/
North Atlantic	8,285	9,179	7,869	7,499	7,147
East North Central ..	14,907	14,367	13,311	18,368	17,314
West North Central ..	20,557	20,798	22,371	22,657	20,708
South Atlantic	3,766	3,977	3,522	4,547	4,401
South Central	7,555	7,349	7,251	8,222	8,079
Western	12,525	12,800	12,533	12,899	12,084
Total United States	67,595	68,470	66,857	74,192	69,733

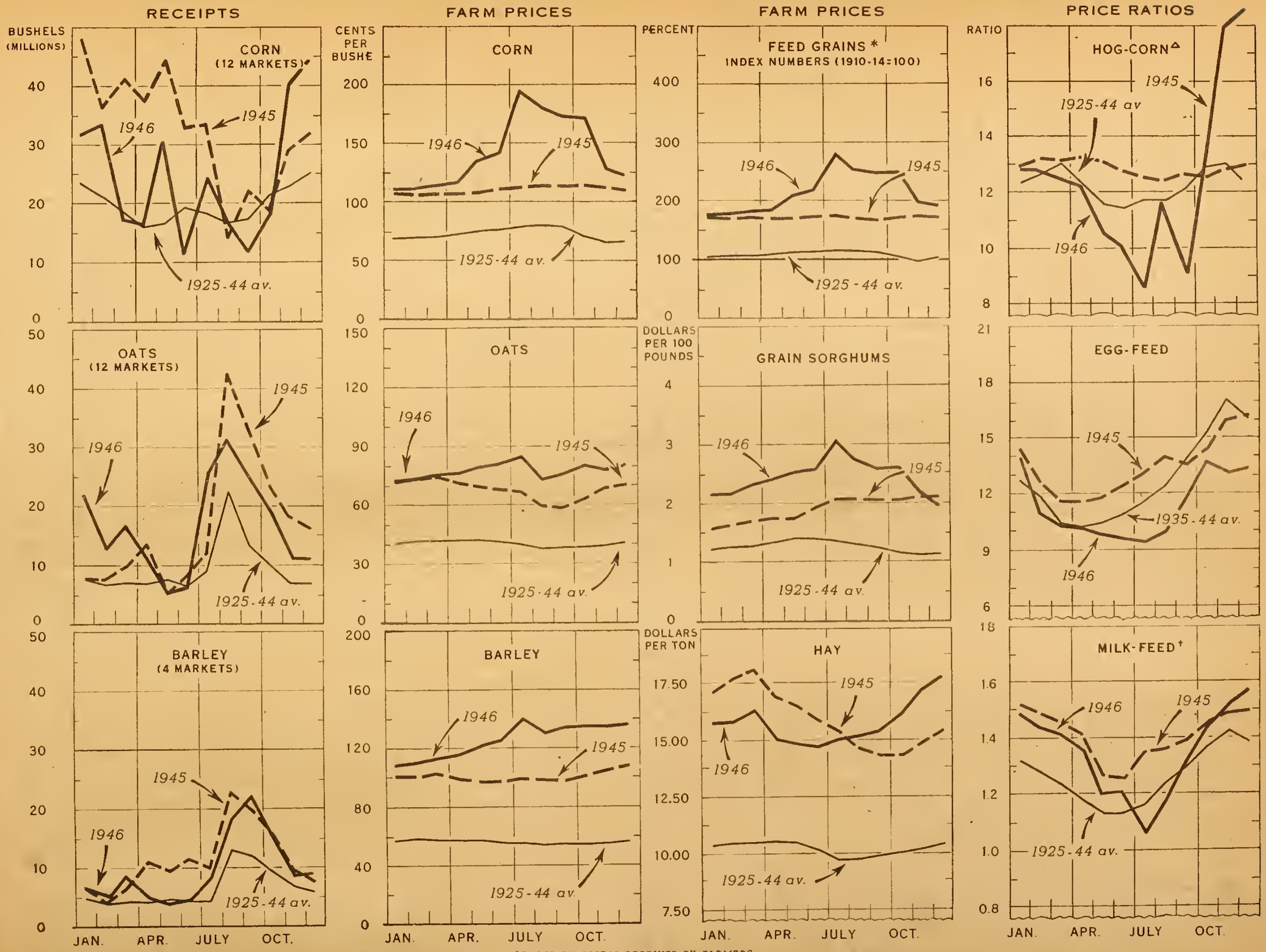
1/ Preliminary.

Table 11.-Production and stocks of specified byproduct feeds, October 1944 November 1946

Item	October-September 1944-45	October-September 1945-46	1945 October	1945 November	1946 October	1946 November
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Production						
Cottonseed cake and meal	1,916.3	1,405.3	242.3	249.4	228.9	232.9
Soybean cake and meal.......	3,698.5	3,822.6	237.5	338.0	262.1	361.9
Linseed cake and meal.......	449.4	560.5	50.2	63.0	37.7	40.3
Peanut cake and meal........	92.2	80.1	6.3	11.3	4.3	11.4
Copra cake and meal.........	42.3	67.6	5.0	1.0	12.7	6.1
Corn gluten feed and meal...	863.9	776.4	47.5	65.6	81.0	84.8
Brewers' dried grains.......	217.4	211.9	21.2	19.0	19.7	17.5
Distillers' dried grains....	633.5	327.9	27.0	26.8	21.7	23.5
Wheat millfeeds.............	5,910.8	4,837.2	524.7	476.6	523.9	505.2
Rice millfeeds..............	149.6	154.4	24.8	28.2	29.5	23.4
Alfalfa meal................	935.5	1,250.0	99.1	68.8	97.4	53.5
Fish cake and meal..........	204.8	177.8	26.1	15.5	20.1	13.3
Dry or powdered skim milk	9.3	7.9	.3	.2	.2	.2
Stocks end of period						
Cottonseed cake and meal	49.6	52.3	57.5	53.0	58.3	80.9
Peanut cake and meal........	.6	1.0	1.6	1.5	1.8	5.2
Brewers' dried grains.......	4.2	3.2	2.9	3.3	2.8	3.7
Distillers' dried grains....	1.7	3.6	1.8	2.3	9.3	9.6
Alfalfa meal................	90.3	151.6	86.6	85.5	152.7	137.2

Compiled as follows: Cottonseed cake and meal and wheat millfeeds, Bureau of the Census; soybean and linseed cake and meal, Grain Branch, Production and Marketing Administration, derived from Census crushings reports; brewers' and distillers' dried grains, copra cake and meal, rice millfeeds, and alfalfa meal, Production and Marketing Administration; gluten feed and meal derived from reports of the Corn Industries Research Foundation; fish cake and meal from Fish and Wildlife Service, Department of the Interior.

MARKET RECEIPTS, PRICES OF SPECIFIED FEEDS, AND LIVESTOCK-FEED PRICE RATIOS



* CORN, OATS, AND BARLEY ^BASED ON PRICES RECEIVED BY FARMERS
† MILK-FEED PRICE RATIO INCLUDES DAIRY PRODUCTION PAYMENTS FROM OCTOBER 1943 THROUGH JUNE 1946

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